

JAN 29 2014

ABR/USAO#2013R00018

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

UNITED STATES OF AMERICA

v.

COLETTE S. LEE,

Defendant

* CRIMINAL NO. MJG - 14-045

*

* (Wire Fraud, 18 U.S.C. § 1343; False
* Statements to Obtain Federal Employee's
* Compensation, 18 U.S.C. § 1920; False
* Statements, 18 U.S.C. § 1001; Aiding &
* Abetting, 18 U.S.C. § 2)

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* FILED UNDER SEAL

*

INDICTMENT

COUNT ONE

(Wire Fraud)

The Grand Jury for the District of Maryland charges that:

At all times relevant to this Indictment,

1. Defendant COLETTE S. LEE ("LEE") was a resident of Baltimore, Maryland and was employed by the United States Postal Service ("Postal Service") working in Linthicum, Maryland.

2. LEE started working for the Postal Service on or about June 28, 2003. In connection with her application for employment, Lee submitted a Medical History Questionnaire on or about June 19, 2003 which included questions regarding LEE's prior medical history. Prior to LEE's employment with the Postal Service, LEE submitted insurance claims for injuries from motor vehicle accidents on at least eight (8) different occasions in 1996, 1998, 2002, 2003, and 2005, that she failed to disclose on her Medical History Questionnaire.

3. On or about May 17, 2007, LEE submitted a claim for workers' compensation payments, pursuant to the Federal Employees' Compensation Act ("FECA"), for injuries she alleged she sustained while employed by the Postal Service.

4. On or about February 24, 2008, LEE submitted a claim for workers' compensation payments, pursuant to FECA, for injuries she alleged she sustained while employed by the Postal Service.

5. On or about August 18, 2009, LEE submitted a second claim for workers' compensation payments, pursuant to FECA, for injuries she alleged she sustained while employed by the Postal Service.

6. On or about October 5, 2009, LEE submitted a third claim for workers' compensation payments, pursuant to FECA, for injuries she alleged she sustained while employed by the Postal Service.

The Victim Government Agencies

7. The Office of Workers' Compensation Programs ("OWCP"), U.S. Department of Labor ("Labor Department"), administers benefits program under FECA. Employees of the Postal Service who are disabled due to an occupational injury are eligible to receive compensation benefits under this Act. FECA benefits are paid with monies of the Postal Service.

8. The Labor Department has sole authority to determine if a claimant was entitled to FECA benefits. In this regard, the Labor Department requires claimants to be evaluated by medical professionals regarding the extent and possible treatment of injuries. These medical professionals include treating physicians who may refer claimants to other physicians or physical therapy facilities for further evaluation and treatment. Assessments by the treating physicians

and other medical professionals as to whether the claimant can return to work in a full or limited capacity are also used by the Postal Service in determining whether the claimant can return to her original position or a position with more limited duties or cannot return to work at all.

9. From approximately July 2, 2007 through January 24, 2014, **LEE** received approximately \$237,343.65 in FECA benefits.

The Scheme to Defraud

10. Beginning from at least on or about June 19, 2003, and continuing to until on or about January 24, 2014, in the District of Maryland, **LEE** devised and intended to devise a scheme and artifice to defraud and obtain money and property from the Labor Department and the Postal Service.

11. It was part of the scheme to defraud that **LEE** failed to disclose on her Medical History Questionnaire submitted on or about June 19, 2003 relevant parts of her medical history, including that she had an active injury claim, had been previously treated in the emergency room, had been in physical therapy programs, and had CT scans.

12. It was part of the scheme and artifice to defraud that **LEE**, failed to disclose to medical professionals charged with evaluating her injury and potential treatment and assessing her possible return to work that **LEE** had a prior medical history that included injuries from at least eight (8) motor vehicle accidents that pre-dated her claims for FECA benefits. **LEE** was also involved in a motor vehicle accident not related to her Postal Service employment in September 2009 after she submitted claims for FECA benefits.

13. It was further part of the scheme and artifice to defraud that **LEE** lied and made material false statements on government forms for FECA benefits.

14. It was further part of the scheme and artifice to defraud that **LEE** profited by the scheme to defraud by causing interstate wire transfers of federal monies representing FECA benefits to her personal bank account.

The Charge

15. Beginning from at least on or about May 17, 2007, and continuing through on or about January 24, 2014, in the District of Maryland, the defendant,

COLETTÉ S. LEE,

for the purpose of executing and attempting to execute the scheme to defraud, and to obtain money or property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire communications in interstate commerce, any writings, signs, signals, pictures, and sounds for the purpose of executing such scheme or artifice to defraud; that is, **LEE** caused wire transfers for FECA benefits to be wired from the **FEDERAL RESERVE BANK, 90 HENNEPIN AVENUE, MINNEAPOLIS, MN 55401** to **LEE's bank account at BANK OF AMERICA, N.A. ARUNDEL MILLS 7045 ARUNDEL MILLS BLVD., HANOVER, MD 21076.**

18 U.S.C. § 1343
18 U.S.C. § 2

COUNTS TWO THROUGH EIGHT
(False Statements to Obtain Federal Employee's Compensation)

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 14 of Count One of the Indictment are incorporated by reference here.
2. On or about the dates shown below, in the District of Maryland, the defendant,

COLETTE S. LEE,

knowingly and willfully falsified, concealed, and covered up a material fact, and made a false false, fictitious, and fraudulent statement and representation, in connection with the application for or receipt of compensation or other benefit or payment under subchapter I or III of chapter 81 of Title 5, that is, LEE did not disclose to the following medical professionals charged with evaluating LEE's injury and potential treatment and assessing her possible return to work, the following material facts:

Count	Approximate Date of False Statement	Material Fact Not Disclosed to Medical Professional
Two	October 16, 2009	LEE failed to disclose to Maryland Orthopedics that she had been admitted to the University of Maryland Medical Center Emergency Room on September 22, 2009 for injuries stemming from a motor vehicle accident not related to her employment with the Postal Service.
Three	December 9, 2009	LEE failed to disclose to Dr. Stuart J. Gordon her pre-existing injuries from at least nine (9) prior motor vehicle accidents including an accident on September 22, 2009.
Four	November 10, 2010	LEE failed to disclose to Dr. Stuart J. Gordon her pre-existing injuries from at least nine (9) prior motor vehicle accidents including an accident on September 22, 2009.

Five	June 27, 2011	LEE failed to disclose to Dr. Stuart J. Gordon her pre-existing injuries from at least nine (9) prior motor vehicle accidents including an accident on September 22, 2009 .
Six	September 27, 2011	LEE failed to disclose to Rehab at Work, Pikesville, Maryland her pre-existing injuries from at least nine (9) prior motor vehicle accidents.
Seven	October 7, 2011	LEE failed to disclose to Rehab at Work, Pikesville, Maryland, her pre-existing injuries from at least nine (9) prior motor vehicle accidents including an accident on September 22, 2009.
Eight	March 27, 2013	LEE failed to disclose to Dr. Stuart J. Gordon her pre-existing injuries from at least nine (9) prior motor vehicle accidents including an accident on September 22, 2009.

18 U.S.C. § 1920

18 U.S.C. § 2

COUNT NINE
(False Statements to Obtain Federal Employee's Compensation)

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 14 of Count One of the Indictment are incorporated by reference here.
2. On or about August 23, 2012, in the District of Maryland, the defendant,

COLETTE S. LEE,

knowingly and willfully falsified, concealed, and covered up a material fact, and made a false false, fictitious, and fraudulent statement and representation, in connection with the application for and receipt of compensation and other benefit and payment under subchapter I or III of chapter 81 of Title 5, that is, **LEE** made material false statements during an interview with former Assistant Special Agent in Charge David Stelzer of the United States Postal Service, Office of Inspector General, about her inability to use her right hand and she denied prior injuries when in fact, as she knew, **LEE** was able to use her right hand and she had prior injuries that she did not disclose.

18 U.S.C. § 1920

18 U.S.C. § 2

COUNTS TEN THROUGH TWELVE
(False Statements to the Department of Agriculture)

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 14 of Count One of the Indictment are incorporated by reference here.
2. On or about the dates set forth below, in the District of Maryland, the defendant,

COLETTE S. LEE,

did, in a matter within the jurisdiction of the Department of Agriculture, an agency of the executive branch of the government of the United States, knowingly and willfully falsify, conceal and cover up by trick, scheme and device a material fact, that is, **LEE** failed to disclose that she was receiving FECA benefits during the course of applying for benefits under the Food Supplement Program (FSP) and Medical Assistance (MA) program.

Count	Approximate Date of False Statement
Ten	February 23, 2010
Eleven	September 19, 2011
Twelve	October 10, 2012

18 U.S.C. § 1001(a)(1)

18 U.S.C. § 2

COUNT THIRTEEN
(False Statement to the Department of Agriculture)

The Grand Jury for the District of Maryland further charges that:

1. Paragraphs 1 through 14 of Count One of the Indictment are incorporated by reference here.

2. On or about April 26, 2012, in the District of Maryland, the defendant,

COLETTÉ S. LEE,

did, in a matter within the jurisdiction of the Department of Agriculture, an agency of the executive branch of the government of the United States, knowingly and willfully falsify, conceal and cover up by trick, scheme and device a material fact, that is, LEE failed to disclose she was receiving FECA benefits.

18 U.S.C. § 1001(a)(1)

18 U.S.C. § 2

FORFEITURE ALLEGATION

1. As a result of the offenses alleged in Counts One, and Ten through Thirteen of this Indictment, the defendant,

COLETTÉ S. LEE,

shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to a violation of 18 U.S.C. § 1001 and 18 U.S.C. § 1343, including but not limited to \$244,912.65 in United States currency and all interest and proceeds traceable thereto, in that such sum in aggregate is property which was involved in the aforementioned violations, and is subject to forfeiture pursuant to 18 U.S.C. § 981(a)(1)(C) and (D).

2. If any of the property described in the preceding paragraph as being subject to forfeiture, as a result of any act or omission of any defendant --

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or,
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States to seek forfeiture of any other property of the defendant, up to the value of the forfeitable property, that is, \$244,912.65.

28 U.S.C. § 2461(c)
18 U.S.C. § 981(a)(1)(C)

Rod Rosenstein /AM
Rod J. Rosenstein
United States Attorney

SIGNATURE REDACTED

Date: January 27, 2014

Foreperson